

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**PHOENIX CAPITAL INVESTMENTS LLC,**

**Plaintiff,**

**v.**

**ELLINGTON MANAGEMENT GROUP, L.L.C.,**

**Defendant.**

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: **Electronically filed**  
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: **Case No. 1:07-cv-6821 (VM)**  
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**MEMORANDUM OF LAW IN SUPPORT OF JOINT MOTION TO REMAND**

Defendant Ellington Management Group, L.L.C. and Plaintiff Phoenix Capital Investments LLC jointly and respectfully submit this memorandum in support of their motion for an order remanding the above matter to the Supreme Court for the State of New York, County of New York.

Complete diversity is lacking between the parties, and the Court therefore is without subject matter jurisdiction. *See Handelsman v. Bedford Vill. Assocs. Ltd. P'ship*, 213 F.3d 48, 51-52 (2d Cir. 2000). Remand of this matter to the Supreme Court for the State of New York, County of New York therefore is appropriate. 28 U.S.C. § 1447(c).

Respectfully submitted on August 3, 2007,

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GROUP, L.L.C.

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